

GUIDANCE

Welsh Procurement Policy Note WPPN 01/22: contracts with suppliers from Russia and Belarus

Welsh Government has decided to adopt the UK government Procurement Policy Note 01/22.

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Contents

Well-being goals

Points to note

Purpose

Dissemination and scope

Background

References in UKG PPN 01/22

Legislation

Timing

Policy Statement relevance

Contact details

Acknowledgements

The Well-being of Future Generations Act's well-being goals supported by this WPPN



- A resilient Wales
- A globally responsible Wales

Points to note

- The information set out in this document is neither legal advice nor statutory
 guidance and is not intended to be exhaustive. Nor is it intended to override
 existing legal obligations applicable to Welsh Public Sector (WPS)
 contracting authorities contracting parties should seek their own
 independent legal advice as appropriate. Please also note that the law is
 subject to constant change and advice should be sought in individual cases.
 This document reflects the position as at March 2022.
- This Welsh Procurement Policy Note (WPPN) builds on, and is consistent with, the Wales Procurement Policy Statement and the Public Contracts Regulations 2015 (SI 2015/102) as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020 (SI 2020/1319).
- This note assumes a certain level of knowledge of public procurement. It is available via the Welsh Government website GOV.WALES and any queries should be directed to CommercialPolicy@gov.wales or via the Welsh Governments' customer services.

1. Purpose

- 1.1. WPPN 01/22 adopts the recently published **UK government Procurement Policy Note PPN 01/22: contracts with suppliers from Russia and Belarus** ("UKG PPN 01/22") and associated frequently asked questions drafted by the Cabinet Office.
- 1.2. Welsh Government has decided to adopt the UKG PPN 01/22. This WPPN

highlights references within UKG PPN 01/22 and the associated frequently asked questions document that are not applicable to Welsh Public Sector contracting authorities.

2. Dissemination and scope

- 2.1 This WPPN has been published to assist all WPS contracting authorities in Wales, including Welsh Government departments, NHS Wales bodies, Welsh Government Sponsored Bodies, local authorities and the wider public sector. This WPPN covers goods, services and works contracts being delivered in Wales.
- 2.2 Please circulate this WPPN across your organisation and to other relevant organisations that you are responsible for, drawing it to the specific attention of those in procurement, commercial and finance roles.

3. Background

3.1 The invasion of Ukraine by Russia has been met with unprecedented global condemnation. The UK government has introduced financial and investment sanctions aimed at encouraging Russia to cease actions which destabilise Ukraine. WPS Contracting authorities should consider how they can further cut ties with companies backed by the states of Russia and Belarus.

4. References in UKG PPN 01/22 not applicable to WPS contracting authorities

4.1 Please note the following references that are not applicable to WPS contracting authorities:

UKG PPN 01/22

4.1.1 Paragraph 4

"The Department for Levelling Up, Housing and Communities is considering an amendment through secondary legislation to address the issue"

This issue has not been raised as significant in Wales and currently no amendment to the legislation is being pursued.

4.1.2 Paragraph 8

"Central Government organisations should note that HM Treasury consent must first be obtained for any transactions which set precedents, are novel, contentious or could cause repercussions elsewhere in the public sector, in line with Managing Public Money".

Not applicable

4.1.3 Paragraph 12

"In central government organisations, this should be the Commercial Director. Accounting Officers should approve final decisions to terminate any contracts under this PPN, ensuring appropriate HM Treasury consent has first been obtained."

Not applicable

4.1.4 Assessing Risks (page 6) – Paragraph 7

"bearing in mind this may require you to seek HM Treasury approval in some cases" and "Central Government organisations should note that Treasury consent must first be obtained in the usual way, for any transactions which set precedents, are novel, contentious or could cause repercussions elsewhere in the public sector, in line with Managing Public Money"

Not applicable

Frequently asked questions

4.1.5 Question 2

" Does this policy apply to the Devolved Administrations?"

This WPPN confirms the adoption of UKG PPN 01/22, however Welsh contracting authorities must note the areas that are not applicable.

4.1.6 Question 16

"My contract is via a Framework Agreement - how do I access information relating to the supply chain?"

Where your contract is via the WG Delivery Team framework, you should contact **CommercialProcurement.Buildings@gov.wales**

4.1.7 Question 19

"Who should make the decision to terminate the contract?" – the reference; "If the termination is contentious, central government departments should seek approval from their Permanent Secretary"

Not applicable

4.1.8 Question 27

"What is Section 17 of the Local Government Act 1988?"

see point 4.1.1 above

4.1.9 Question 30

" What are the Best Value considerations that local government should take into account in relation to this PPN?"

Not applicable

4.1.10 Question 31

" Will local government's social value considerations apply to this PPN?" – reference; "Section 1 of the Public Services (Social Value) Act 2012

replace with "The Well-being of Future Generations (Wales) Act"

5. Legislation

- The Well-being of Future Generations (Wales) Act 2015
- The Public Contracts Regulations 2015
- The Public Procurement (Amendment etc.) (EU Exit) Regulations 2020

6. Timing

This WPPN is effective from the date of publication on 01 April 2022 until it is superseded or cancelled.

7. Welsh Government Procurement Policy Statement (WPPS) relevance

This WPPN aligns with the following WPPS Principles:

Principle 1

We will leverage collaborative procurement activity in Wales to maximise longterm sustainable social and economic value outcomes from public spend.

Principle 3

We will progress long-term sustainable procurement, which builds on and scales best practice and sets clear steps that show how procurement is supporting the delivery of organisational well-being objectives.

8. Contact details

If you have any questions about this WPPN, please contact: CommercialPolicy@gov.wales

9. Acknowledgements

The following publications were utilised in the preparation of this WPPN:

- UKG PPN 01/22: contracts with suppliers from Russia and Belarus
- UKG PPN 01/22: Frequently Asked Questions (FAQs)

This document may not be fully accessible.

For more information refer to our accessibility statement.